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*Attorneys for the Debtors*

**IN THE UNITED STATES BANKRUPTCY COURT**

## **THE DISTRICT OF ARIZONA**

In re:

## Chapter 11 Proceedings

**SEDONA DEVELOPMENT PARTNERS, LLC;  
THE CLUB AT SEVEN CANYONS, LLC**

Case No. 2:10-bk-16711-RTBP  
Case No. 2:10-bk-16714-RTBP

## Debtors.

**Jointly Administered Under  
Case No. 2:10-bk-16711-RTBP**

**MOTION FOR JOINT  
ADMINISTRATION AND  
APPROVAL OF A CONSOLIDATED  
CAPTION**

Pursuant to Federal Rule of Bankruptcy Procedure 1015 and Local Rule of Bankruptcy Procedure 1015-1, Sedona Development Partners, LLC and The Club At Seven Canyons, LLC, debtors and debtors-in-possession in the above-referenced bankruptcies (collectively the “Debtors”), through counsel undersigned, hereby request that this Court order the joint administration of their Chapter 11 cases, numbered 2:10-bk-16711-RTBP and 2:10-bk-16714-RTBP respectively, and approve the use of the consolidated caption above. The joint administration of these related cases will allow for a more efficient and equitable administration of the Debtors’ estates.

This Motion is supported by the attached Memorandum of Points and Authorities.

1 DATED: June 1, 2010.

2 POLSINELLI SHUGHART PC

3 By:

4 John J. Hebert  
5 Philip R. Rudd  
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8 *Handwritten Signature*  
*John J. Hebert*  
*Philip R. Rudd*  
*Wesley D. Ray*  
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*Phoenix, AZ 85012*

Attorneys for the Debtors

10 **MEMORANDUM OF POINTS AND AUTHORITIES**

11 **I. FACTUAL BACKGROUND**

12 1. On May 27, 2010, Debtors filed their respective voluntary petitions for relief under  
13 Chapter 11 of the Bankruptcy Code in the United States Bankruptcy Court for the District of  
14 Arizona.

15 2. The Debtors are authorized to operate their businesses as debtors-in-possession  
16 pursuant to Sections 1107 and 1108 of the Bankruptcy Code.

17 3. Debtors are Arizona limited liability companies.

18 4. Sedona Development Partners, LLC owns an 18-hole golf course and related  
19 entities, including luxury villas, a practice park, range house, tennis courts and related facilities in  
20 Sedona, Arizona, known generally as Seven Canyons (the "Property").

21 5. The Club At Seven Canyons operates the golf course and related facilities for  
22 Sedona Development Partners, LLC.

23 6. Sedona Development Partners, LLC is the manager and sole member of The Club At  
24 Seven Canyons.

25 7. Nearly all of Sedona Development Partners, LLC's revenue is derived from the golf  
26 course and related facilities operated by The Club At Seven Canyons, LLC.

1           **II.     LEGAL ARGUMENT**

2       If related or affiliated debtors have bankruptcy cases pending in the same court, their  
3       respective estates may be jointly administered under a consolidated caption. Fed. R. Bankr. P.  
4       1015(b).<sup>1</sup> “Joint administration is a creature of procedural convenience. It is justified by the  
5       laudable desire to avoid the wasting of resources, which would result through the duplication of  
6       effort if cases involving related debtors were to proceed entirely separately.” *In re Steury*, 94 B.R.  
7       553, 553 (Bankr. N.D. Ind. 1988).

8       The Debtors’ bankruptcies are the type best-suited for joint administration. The Debtors  
9       share common ownership and control, and because of their interests in the Property, their prospects  
10      for reorganization are completely intertwined. Due to the Debtors’ inter-relatedness, the vast  
11      majority of motions, hearings, and orders in these cases will affect both Debtors and their  
12      respective creditors. As such, joint administration of these bankruptcy cases will not result in any  
13      prejudice to the Debtors’ creditors or other parties-in-interest. Joint administration of these  
14      Debtors’ cases, and the use of a consolidated caption, will avoid unnecessary confusion, reduce the  
15      time and cost attendant to reorganization under Chapter 11, and provide creditors whose interests  
16      may be affected by both bankruptcies a single forum in which to assert their claims.

17      WHEREFORE, the Debtors respectfully request that the Court enter an Order:

18           A.     Authorizing the joint administration of the Debtors’ Chapter 11 cases;

19           B.     Authorizing the use of the consolidated caption above; and

20           C.     Granting such other and further relief as the Court deems just and proper under the  
21      circumstances.

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27           <sup>1</sup>A motion requesting joint administration must be accompanied by a request that all  
28      affiliated cases be transferred to the judge presiding over the case with the lowest number. Local  
    Bankruptcy Rule of Procedure 1015(b). In these cases, no such transfer is necessary, as both cases  
    were assigned to the same judge.

1 DATED: June 1, 2010.

2 POLSINELLI SHUGHART PC

3 By:

4 John J. Hebert  
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6 Wesley D. Ray  
7 Security Title Plaza  
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8 *Handwritten signature*  
*Attorneys for the Debtors*

9

10 **COPY** of the foregoing mailed (or served  
via electronic notification if indicated by an  
“\*”) on June 1, 2010, to:

11 U.S. TRUSTEE’S OFFICE  
12 230 N. 1<sup>st</sup> Avenue, Suite 204  
13 Phoenix, AZ 85003

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15 By: /s/ Cathie Bernales